

An end to the water war is one step closer with Newsom's latest plan

Gov. Gavin Newsom's administration last week released [a framework for voluntary agreements](#) (VAs) that seeks a compromise in the 50-year war over water flows. The most optimistic sign some version of agreements may be signed this year was the fact that no parties were happy with the framework.

The [announcement](#) delivered the first details from more than a year of intensive negotiations over water flows for the Sacramento-San Joaquin Delta. The continuous discussions have strung together officials from at least four state agencies, along with managers from a broad range of municipal and agricultural water agencies and advocates from conservation, sportfishing and environmental justice groups.



California Farm Bureau Senior Counsel Chris Scheuring

The framework proposes a 15-year initiative involving \$5 billion, with at least \$2 billion of that from the state. The plan would restore 60,000 acres of new and improved habitat for endangered fish species and aims to double the salmon population by 2050.

Four Democratic representatives from the Central Valley and Sen. Dianne Feinstein [applauded the proposal](#) last week. In a joint statement, they said a compromise over Delta water flows will better support habitat restoration while “providing certainty to California agriculture and other water users.”

Lawmakers, farm leaders and many others have been closely scrutinizing the early framework, which will likely serve as just the first piece to a much larger regulatory process.

“We're starting to see some great meat on the bones,” said California Farm Bureau Senior Counsel Chris Scheuring in an interview. “We're finally getting to a place where some voluntary agreements might actually be signed at some point in a way that derails the litigation and avoids the regulatory hard path.”

Scheuring said the biggest question yet to be answered is how the administration will pursue Delta operations for the State Water Project. In October, Newsom threatened to sue federal agencies over the new biological opinions governing Delta flows for the Central Valley Project. The administration has yet to file that lawsuit, to the disappointment of environmental groups. Any plan approved at the state level would still have to be approved in part by federal agencies, though those officials have shown support for the VAs.

“I don't know whether the state is pulling back from the brinkmanship they had a couple months ago,” said Scheuring, adding that he is concerned the administration would be

pitting one water project against the other in that case.



California Farm Water Coalition Executive Director Mike Wade

Conservation groups have threatened to walk away from the negotiations unless the administration pursues that lawsuit or shows more dedication in pushing back on the Trump administration's environmental assessment. Defenders of Wildlife Policy Advisor Rachel Zwillinger said the deal proposed last week does not meet the state's environmental standards and will fail to gain the group's approval.

“As far as we can tell, no one is very happy with the framework—and that may be a good sign,” write water policy researchers Ellen Hanak and Jeffrey Mount of the Public Policy Institute of California, in an opinion piece for *CalMatters* on Monday. “It is just not possible to satisfy all interests in the Delta.”

Hanak and Mount add that despite the framework's “imperfections” it would provide certainty to both water users and the environment. They acknowledge that many Delta interests will continue to fight the same battles with the same arguments.

Scheuring also pointed out that environmental groups have “a pretty narrow interest set” in protecting fish, while the state must balance endangered species laws with existing statutes obligating them to deliver water to millions of people and farms.

The more valuable responses will come from public water agencies at the local level, as they assess these changes under their own operating scenarios, according to Mike Wade, executive director of the California Farm Water Coalition. He said the VAs could impact each agency differently.

“It's a lot more funding that's going toward environmental improvements than we saw a year ago,” he said in an interview. “And it's a lot more water.”

Wade pointed out that the new stream flows dedicated to fish are sometimes as much as three times higher than the proposals in the July 2019 progress report. Yet the administration has taken an approach with its new proposal for the State Water Project, a new single-tunnel plan for the Delta and the first draft of its Water Resilience Portfolio to divert more water to surface and groundwater storage during high-flow events. Wade said that could serve as enough of a cushion to help farmers through the critically dry years.

“So much of this is tied together,” he said. “It's exciting to see Governor Newsom work through this process to find solutions, rather than just punting down the field and hoping for a solution sometime later.”

Another question is how the regulatory process would move forward with new agreements. In 2018, the State Water Resources Control Board approved Phase 1 of its Bay-Delta Plan and has held off on a vote for Phase 2, pending discussions over the VAs. That part of the plan proposes unimpaired flows to the Delta of as much as 60% for environmental purposes. Yet it covers the north side of the Delta, where water districts “have more (water) to play with” to get to a path more protective of fish, according to Scheuring. The VAs would likely replace Phase 2 and perhaps serve as a substitute for the Phase 1 measures on the San Joaquin Valley side of the Delta, he said. Yet the approach established by the VAs would go well beyond the Delta.

“It's crucially important, because this is a new use of comprehensive water quality planning processes to regulate big picture flow issues,” said Scheuring. “What we get done here is the template for a lot of future actions on river systems around California.”

Six questions for the State Senate Republican Leader

Senator Shannon Grove considers herself blessed to be representing the 16th Senate District, with the second largest agricultural producing county in the world.

Grove is also proud of the energy industry within her district, which accounts for 75% of California’s oil production and some of the largest wind farms and solar production. Grove leads the Senate Republican Caucus and the opposition voice within the upper house.

She recently spoke with *Agri-Pulse* on how she gets bills to the governor, on recent labor challenges for ag and on the connection between ag theft and new regulations.

1. What's your approach to engaging with such a broad range of stakeholders within your district?

It is easy for me because I have had an opportunity to go meet with all the (industry) executives and individuals. They all have my cell phone number.

It doesn't matter what the subject matter is. You can always bring people together to the table to have reasonable heads to address the situation that's at hand and make sure the end goal is met without disrupting someone else's enterprise. The same with oil and ag.

We brought some of the oil leaders together with the ag leaders to work together on farmland and working relationships, on how we can use water better.

I'm blessed I represent a group of individuals that are solution orientated, regardless of what the subject matter is.



2. Being the opposition voice in such a polarized Legislature, how do you get bills passed?

Let's just be realistic. Out of the 40 senators, there are 10 Republicans. They need 21 votes to pass a bill or stop a bill. Democrats do have obviously the ability to pass or stop any piece of legislation that they so choose, including tax increases.

What we do is engage on strategic bills, like tax increases, things we feel are definitely not good for Californians as a whole. We engage on those behind the scenes and publicly. We do great social media outreach to let the public know what we're doing.

Last year on SB 1, we were very active in engaging the basin community outside of Sacramento. The governor saw the failures of that bill, and he vetoed that piece of legislation.

Now they're bringing stakeholders together so we can move forward with a better piece of legislation.

You always try to make sure your voice is heard. I have a great relationship with (Democratic Senate Pro Tem Toni Atkins). We are able to work together on certain issues. She knows what's important. The same with the governor's office. They understand we're here to be solution orientated, and not just be an opposition party.

3. With SB 224 on categorizing ag equipment theft as grand theft, you've suggested the rise in theft is related to new air quality regulations requiring farmers to upgrade to more expensive equipment. Can you explain that argument?

Sheriff Boudreaux is the sheriff of Tulare County, the third largest agricultural producing county in the world. In the agriculture community, equipment, copper, wiring, pumping units – it's high-

technology stuff that is more expensive than it has been in the past. They've noticed a huge increase in ag theft of equipment. And not just equipment, but product loss because the equipment is non-operational.

He came to me with this idea to run a piece of legislation to be able to track ag theft within the major counties – that cross party lines and agricultural commodities. The governor did sign it. It was a very compelling argument to be able to track this so that we could provide more resources for the agricultural community to protect them from theft.

4. How would you describe Newsom's efforts to reach out to the valley?

He's done a pretty decent job. I don't know of another governor who has gone to the valley several times. He's been in Fresno, in Bakersfield. We had the earthquake and he actually showed up at a little community called Ridgecrest to reassure those people that just because they were represented by a Republican they were not forgotten. He understands how valuable that area is with all the military bases and the largest North American soda ash chemical plant.

He's done his fair share of reaching out to the Central Valley. He understands he's blessed to be a governor that represents the three largest food producing counties in the world.

5. What should we keep an eye on in this legislative session?

One of the things that we definitely need to address is AB 5, on the independent contractor situation. We have pieces of legislation that will repeal and revamp it completely, make it more independent contractor friendly and address the ABC test in the bill. It's conjunctive right now, but we want to make it so we still have protections for workers who want to participate in a traditional work environment and also protections for independent contractors.

Then we have several pieces of legislation caucus members are carrying on the Republican caucus side, to do carveouts for certain industries that are requesting it.

We know water is going to be a huge issue for the agricultural community, with (the Sustainable Groundwater Management Act) taking effect. We're hoping the governor is sympathetic with us on the water issues. You obviously can't expect us in the Central Valley in California to feed the world and not have water.

Personally, for the 16th Senate District, the oil industry is huge for me. I really wish we could figure out a way to educate Californians to let them know that consumption has not gone down. We still consume it. We're just importing it from Ecuador and Saudi Arabia.

Even the report (by Lawrence Livermore National Laboratory, which called for more aggressive climate policies in California) said we need to plant more trees. How do you plant more trees with no water? And you don't get credit for the almond trees planted.

The caucus is very much interested in the water issue and in PG&E and solving the PSPS problems. The wildfire issues are very important to this caucus. And the homeless crisis is number one on everybody's radar.

6. It's an uncertain time for farmers. What message would you like to share with them?

We have the world's leaders in agricultural production and food production. I really am excited this governor is recognizing that.

I just challenge the agricultural community and those that raise and produce our food to continue to stand strong and fight those issues and make your voices heard.

The minimum wage increases in AB 1066 and the ag overtime issue are affecting agriculture. Think about it from an agricultural worker perspective, for somebody who makes \$15 an hour. The law Democrats passed requires you to eliminate their (extra) 20 hours a week or pay them overtime. Farmers can't pay the overtime, so they just bring in a separate crew to do the harvest. When you think about those agricultural workers, that's \$600 a month that comes out of their paycheck. That's dramatic. We have to figure out a way to allow agricultural workers to have the independence to be able to work 60 hours a week, if that's what they choose to do.

AB 1066 is the same author of AB 5 (Asm. Lorena Gonzalez of San Diego). It really doesn't look at the impacts that affect individual workers and how they're affected in their lifestyle. It's sad the building is run that way.

USDA IG investigating MFP payments

The Agriculture Department's inspector general is undertaking an extended investigation of the administration's trade assistance programs, starting with whether USDA had the proper legal authority to make direct payments to farmers.

The investigation also will evaluate the design of the Market Facilitation Program as well as questions about eligibility and treatment of producers, Inspector General Phyllis Fong told the House Agriculture Appropriations Subcommittee on Tuesday.

She said auditors also would be selecting a sample of producers for review of their payments.

The Trump administration is spending \$28 billion under the 2018 and 2019 programs, mostly for direct MFP payments to producers using Section 5 of its Commodity Credit Corp. authority.

“We are very aware of the large dollars there,” Fong told lawmakers. “It is a priority for our office.”

Democrats on the panel criticized the way the programs were crafted, and Rep. Rosa DeLauro, D-Conn., demanded to know why Fong's office hadn't moved more quickly to investigate them.

“Your delay in dealing with this means this program is going to continue to move in the direction it has been moving,” said DeLauro, a leading candidate to chair the full Appropriations Committee in the next Congress should Democrats retain control of the House.



USDA Inspector General Phyllis Fong

“They can employ the same waste, fraud and abuse which is ongoing right now in this program, and you are not doing anything about it,” said DeLauro.

Agriculture Secretary Sonny Perdue has told farmers not to expect another round of MFP payments for 2020 crops but has not ruled it out. He made similar comments after the 2018 program was announced and told producers not to count on another round of payments in 2019, advice that was voided by President Donald Trump calling for another year of the program.

DeLauro and other Democrats have been particularly critical of USDA for allowing Brazilian-owned JBS USA to benefit from commodity purchases under one of the trade assistance programs the department created with the CCC authority. Two former executives of the parent company, brothers Wesley and Joesley Batista, pleaded guilty to corruption charges and remain shareholders.

Perdue recently denied a request from DeLauro to take steps to kick JBS out of USDA programs. DeLauro cited ongoing Justice Department and Securities and Exchange Commission investigations into JBS practices.

“Given that you indicate DOJ and SEC are far down the path with their investigations, then they are fully aware of all potential remedies at their disposal, including an option for suspension and debarment,” Perdue wrote in a Jan. 31 letter to DeLauro.

The top Democrat on the Senate Agriculture Committee, Debbie Stabenow of Michigan, also has complained about JBS’ participation in the program as well as the MFP payment rates. She says they have unfairly favored southern growers.

"The Administration’s trade assistance continues to pick winners and losers between crops. The program almost entirely shut out forest products and specialty crops from receiving direct Market Facilitation Program payments, even though many producers are experiencing trade damage,” according to a report released by Senate Agriculture Committee Democrats.

Questions also have been raised about the payment rates USDA developed for the MFP program. Under the 2019 program, rates were based on a county-by-county estimate of the impact of recent trade disruptions.

USDA hasn't released some key data behind the estimates of trade damage. In [a report](#) for the American Enterprise Institute, a free market think tank, former USDA Chief Economist Joe Glauber said "a number of factors suggest that the trade damage estimates the USDA calculated likely substantially overestimated the impact for some US producers (and potentially underestimated the impact on others)."

The inspector general's initial report, which will focus on whether USDA used its CCC authority properly, is expected to be released later this year.

US-Kenya FTA seen as model for future African trade

The U.S. and Kenya announced last week they are forging ahead to negotiate a free-trade agreement. While the proposed pact is expected to create new markets in the East African nation for U.S. farm commodities and equipment, the deal also promises to pave the way for new trade standards across sub-Saharan Africa.

"USA Rice will be taking a deeper look into market potential for sales of U.S. rice to Kenya and surrounding African nations as populations and demand for rice in the region grow," says Betsy Ward, the group's president and CEO. "We appreciate the administration's robust approach to trade this year, and eliminating the duty U.S. rice faces in Kenya would go a long way to building a new market for U.S. rice."

As for Kenya alone, the country's population could be eating a lot more American rice, but it isn't, partially because there's a 35% tariff on U.S. grain. It's just one example of an obvious target for U.S. negotiators when detailed negotiations begin.

Cutting tariff and non-tariff barriers to trade, tackling corruption and setting new standards for investment will help sell a lot more U.S. grain, meat and tractors. That will benefit U.S. producers and African consumers alike, say farm groups and companies.



Jim Sumner, USAPEEC

Barriers like third-party inspections and dense bureaucracy are keeping U.S. commodities out of Kenya, says Jim Sumner, president of the USA Poultry and Egg Export Council.

Kenya, Sumner said, is "not a trade friendly" country, and that makes it very difficult to export to. That's despite a strong reliance on imports in the country and the fact that Kenya is home to one of East Africa's busiest ports.

Chicken, like other meat, can be hard to get for much of the population.

"We understand that the price of chicken there is pretty expensive and I'm sure (Kenyan consumers) would really appreciate access to our product," Sumner said. "They just cannot produce chicken very economically. They have high production costs and poultry is pretty much unaffordable for most of the population."

Indeed, the average per capita consumption of meat in Kenya is only about 10 kilograms per year, according to data from the United Nations Food and Agriculture Organization. By comparison, the average per capita consumption of red meat and poultry in the U.S. is roughly 10 times that amount, according to USDA figures analyzed by the National Chicken Council.

The biggest obstacle for U.S. exporters, Sumner said, is essentially bureaucracy. In the best of times, it is difficult to get import permits from the Kenyan government, he said. In the worst, it's impossible. And even if an exporter gets the permit, Kenya does not accept safety certifications from USDA's Food Safety and Inspection Service and the country often requires that a third-party company be hired to verify all the documentation that's required.

One Kenyan barrier to U.S. agriculture has already been removed. Kenya last week agreed to lift its ban on Pacific Northwest wheat out of concerns for the flag smut fungus. That came as a result of the two countries cooperating for the past year in a trade and investment working group. It's a good first step, says Dalton Henry, a vice president at the U.S. Wheat Associates.

But it's also not enough. The U.S. sells about 100,000 metric tons of wheat to Kenya every year, but that would be a lot higher if Kenya — which imports about 2 million tons yearly — agreed under an FTA to remove the 10% tariff on imports from the U.S., Henry told *Agri-Pulse*.

“Until we have a tariff advantage over Black Sea and European Union suppliers, logistically it's a tough market for us to compete on when everybody is paying the same tariff,” Henry said. “If we take our 10% down to zero in a free-trade agreement, that makes up freight difference pretty quickly.”

All of the tariff and non-tariff barriers may not be sustainable in light of Kenya's growing population and middle class. The country's population — about 46 million — is expected to nearly double over the next 30 to 40 years, according to the FAO, which also sees GDP per capita increasing sharply in urban and rural areas.

“The growing, increasingly affluent and urbanized Kenyan population will consume more high value food products, in particular animal source foods such as meat, milk and eggs,” the FAO said in a [2017 analysis](#). “We can expect this preference to continue to be adopted as income increases across the population in the long term. In aggregate, consumption of beef and milk will increase by over 170% between 2010 and 2050.”



U.S. President Donald Trump and Kenyan President Uhuru Kenyatta speak during Kenyatta's Feb. 2020 visit to Washington.

On the political front, the Kenyan government has been working to strengthen ties with the U.S. for more than a year, and President Uhuru Kenyatta stressed his priorities to improve the country's infrastructure, combat corruption and lower barriers to business during his visit to Washington last week. His trip included a meeting with President Donald Trump.

One U.S. company contributing to modernization on the food production side of the equation is tractor giant John Deere, a company that is anxious for the U.S. to complete an FTA with Kenya, one of its sub-Saharan operation hubs.

John Deere has had to innovate to grow its business throughout the continent by focusing on smaller equipment for smaller farms and creating new credit programs, but an FTA would be very welcome, said J.B. Penn, the company's chief economist.

“My understanding is whatever they do with Kenya would be a model agreement for other countries in sub-Saharan Africa,” Penn told *Agri-Pulse*. “So, to the extent that you make

trade and investment easier, that would be a very positive step for companies like John Deere.”

It’s a sentiment shared by USAPEEC’s Sumner, who stressed that other African countries will see very quickly the results of reducing trade barriers and opening to new investment.

“If this could take place,” he said about the FTA, “it would be an example to other countries in Africa as to how such a trade agreement can benefit their overall economies, not to mention improve their diets and standard of living.”

Democrats' fixes for rural health coverage rely on Medicare

Nowhere is access to affordable health care a bigger issue than in rural America and among many farmers, who often rely on off-farm jobs to buy insurance or pay thousands of dollars each year out of pocket.

The Democratic candidates’ solutions are to allow uninsured people to join Medicare, and/or expand Medicaid to virtually all low-income people, or simply replace private insurance entirely with Medicare for all.

All the Democratic candidates pledge to stop what they say is Trump’s effort to sabotage the Affordable Care Act (ACA), which mandated individual coverage and coverage requirements and offered new subsidies for those with lower incomes.

The Trump administration, which is supporting a lawsuit to strike down the ACA, has been focused on trying to promote new private options but has little to show for its efforts so far.

The Labor Department, for example, issued a rule to make it easier for unrelated people or businesses to develop health plan associations, which can have cheaper rates but reduced coverage, but the plan has been blocked by a federal court.

Among the Democrats, Vermont Sen. Bernie Sanders and Massachusetts Sen. Elizabeth Warren have the most far-reaching proposals. Both would end private insurance, expand Medicare to every American and eliminate all deductibles and premiums.

As for the rest of the Democratic candidates, their positions lean more toward the Medicare-X legislation developed by Colorado Sen. Michael Bennet, who had little support so far in presidential polls and dropped out of the race altogether on Tuesday night. Minnesota Sen. Amy Klobuchar, a presidential candidate who has been running sixth in national polls, is cosponsoring the bill.

The plan would expand the ACA income eligibility window by raising the tax credit ceiling beyond the current 400% of federal-poverty-line income, but also provide tax credits on premiums for those with higher income levels.

The subsidy plan would also cap the out-of-pocket cost of premiums so, for example, a family of four making \$101,000 would pay no more than 9% of their income for premiums.

Bennet’s priority for expanded coverage would “start on the individual exchange ... in rural areas where the market is failing too many people with only one or no insurers. Over the course of two years, Medicare-X expands to every county in the country and becomes available on the small business exchange.”

Rural areas must get expanded choices first, Bennet says, because “in 2019, 37% of counties, almost all of them in rural and small-town America ... had only one insurer” on the exchanges.

Most fellow Democrats generally agree with Bennet’s ideas:

- Extend ACA’s expansion of Medicaid to low-income households in the 14 states that haven’t so far chosen to accept that federal help. Reimbursement rates, which vary state to state and by medical service, would be phased up toward an average match of 90% of cost over five years.
- Require the government to negotiate lower drug prices for Medicare patients and others, plus impose new rules restraining drug price increases. The latter is the goal of a bevy of bills by both parties in Congress, aimed especially to help seniors and low-income households. One bipartisan Senate bill would require drug manufacturers to send consumer rebates if they raised prices faster than inflation.
- Force health care services to retarget their practices and billing toward health outcomes rather than fees to treat sick patients. Rural populations have the worst prevalence of chronic diseases, Bennet says, and that can be turned around “by restructuring incentives in the health care system.”
- Make advancing telemedicine and remote patient monitoring a priority for federal investment, which would in turn require more universal rural broadband.
- Shore up the supply of primary care doctors, reversing a national shortage that is projected to swell toward 100,000 by 2030.

“No networks, no premiums, no deductibles, no copays, no surprise bills,” Sanders says, and his plan would cover “dental, hearing, vision, and home- and community-based long-term care, mental health and substance abuse treatment, reproductive and maternity care, prescription drugs, and more.”

Warren has provided expert estimates of how much Medicare for all will cost over 10 years, \$20.5 trillion, which would be offset by tax increases and cuts in health care spending.

Trump, meanwhile, pledged to repeal and replace Obamacare, but a Republican controlled Congress failed to do so in 2017 and 2018, and the president isn’t pursuing a replacement.

Trump also declared in 2016 he wouldn’t cut Medicare or Medicaid, but his administration has moved to do so in various ways, such as efforts since 2017 to cut Medicaid spending by converting to state block grants.

On the other hand, Trump’s actions favorable to rural consumers include these:

- At his urging, Congress rescinded the ACA tax penalty to individuals not buying health insurance.
- In a budget passed in December, Trump got his desired repeal of another piece of ACA he disliked: the so-called Cadillac tax, which was a 40% excise tax on high-cost employer-sponsored health coverage.
- Note, too, that the Food and Drug Administration, in its Drug Competition Action Plan, approved a record number of new generic drugs in 2017, a way of lowering drug prices by fostering competition.

Here is a look at some other themes Democratic candidates have been sounding on the campaign trail:

Former Vice President Joe Biden says a full public Medicare option would deliver “more choice, reducing health care costs, and making our health care system less complex.”

Biden emphasizes cutting drug prices: allow consumers access to foreign markets for any drugs approved by the U.S. government; terminate pharmaceutical corporations’ tax break for advertisement spending; free up access to quality generics by better policing of big brand-name drug corporations’ tactics in delaying entrance of generics into the market.

Former New York Mayor Michael Bloomberg hasn’t offered a lot of details, but his discussion of the issue generally tracks the Democratic consensus.

He appears to want consumer premiums to pay more of the total cost of an expanded public option than some others, and his priority for coverage is for “the uninsured, including low-income people who are in states that haven’t expanded Medicaid.”



Presidential candidate Pete Buttigieg

Pete Buttigieg, a former mayor of South Bend, Ind., wants to “dramatically reduce care shortages in rural areas by both training homegrown doctors and nurses and attracting health care workers from (the U.S. and abroad), with an emphasis on primary care, maternal care, mental health, and addiction providers,” according to his campaign.

He lists several ways to move in those directions: expanding school loan forgiveness programs to all health care sector employees, attracting more immigrant doctors by expanding the expanding the Conrad 30 medical practice waiver program, and implementing new models for rural health care such what he calls Rural Emergency Medical Centers.

Klobuchar says her priorities include expanding telehealth and rural health services and maintaining rural hospitals.

She emphasizes improving care for seniors and says “dental, vision, and hearing care should be covered as part of Medicare,” and such expansion must be “affordable for all seniors.” Also, seniors and their families “must have the resources they need to prepare for long-term care, including education about the types of services available,” she says. To help, she proposes a

targeted federal income tax credit equal to 20% of the premium costs of qualified long-term care insurance.

Billionaire Tom Steyer agrees with other Democrats on extending ACA insurance to a broader swath of the population and extending Medicaid coverage. He says the government must make the public option so attractive that private insurers must improve coverage and reduce rates to compete with it. That will leave “people who receive coverage through their employer to opt into the public option if it better suits their needs.”

News Briefs

US lays out list of WTO complaints. The Trump administration has laid out a lengthy list of its complaints and demands for changes in the World Trade Organization’s appellate body five months ahead of the WTO’s twelfth ministerial meeting. WTO member nations have been growing increasingly alarmed as the U.S. continues to block the appointment of new appellate body judges in a show of anger over what it considers deep flaws in the system. The appeals court ceased to function in December due to the U.S. preventing the appointment of new judges. WTO Director General Roberto Azevêdo traveled to the U.S. earlier this month to deliver the message that he was ready to work with the U.S. on its demands for reform, but stressed that he needed a clear outline of U.S. complaints. That is what appears to be in the 174-page report released by the Office of the U.S. Trade Representative Tuesday evening. Among the long list of gripes ranging from judges being asked to stay on despite the end of their terms to late rulings, the USTR aimed some of its ire at what it considers preferential treatment for non-market economy countries like China. Several interpretations by WTO appeals judges “have directly harmed the ability of the United States to counteract economic distortions caused by non-market practices of countries like China that hurt our citizens, workers, and businesses,” the report concludes.

Many Chinese workers remain at home as coronavirus lingers. Chinese workers will take a little extra time to return to work as the country continues its fight against the coronavirus. According to media reports, a deadline to return to work came and went on Monday, and a number of workers stayed home either on extended vacations or work-from-home arrangements. Many workers in the country had been taking part in new year’s celebrations that led to an extended public holiday as the government sought to contain the spread of the virus, which has now killed more than 1,000 people and infected over 40,000 more in mainland China. The impact of the coronavirus on the recently inked U.S.-China trade agreement is as yet unknown, Agriculture Secretary Sonny Perdue told reporters at the U.S. Cattle Industry Convention in San Antonio last week. Asked whether the U.S. should grant China any flexibility in meeting purchasing targets for “phase one” of the trade deal, the secretary said it was really too early to tell. “We don’t know when this coronavirus will be corralled. I think it’s pretty scary out there right now,” Perdue said, adding that if the U.S. were in a similar situation, it would probably be seeking some wiggle room on purchasing commitments. “We hope and pray that it can be contained very quickly,” Perdue said of the virus. Nevertheless, “These are some pretty hard-line numbers with enforceability provisions” and the U.S. will be monitoring Chinese purchases to see whether “they’re just shifting purchases to other places.” Ultimately, however, Perdue said it would be up to President Donald Trump and the Office of the U.S. Trade Representative to enforce the deal. China agreed to \$40 billion in annual purchases of U.S. ag goods over the next two years as part of the “phase one” deal.

Farm Hands West: Busterud tapped to lead EPA's Region 9

EPA Administrator **Andrew Wheeler** has appointed **John Busterud** the new regional administrator for Region 9, overseeing EPA activities and operations in Arizona, California, Hawaii, and Nevada. Busterud brings over 30 years of experience as an environmental and energy attorney, most recently as the senior director and managing counsel for environment and real estate at Pacific Gas and Electric Company (PG&E), in San Francisco, from 1985-2016. He is a retired U.S. Army Colonel, served as a board member for the California Council for Environmental and Economic Balance, vice chair of the California Veterans Board and chair of the Foundation for Relief and Reconciliation in the Middle East. He replaces **Mike Stoker** who was dismissed a week ago.



John Busterud

The Kroger Co. announced **Keith Dailey**, current vice president of corporate affairs, has been promoted to serve as group vice president of corporate. Dailey joined Kroger in 2011 as chief spokesperson and director of corporate communications. In 2016, he was promoted to senior director of external affairs after assuming responsibility for government relations, policy and advocacy.

Mission Produce Inc. has hired **Mike Browne** as its new COO. Browne most recently served as the vice president of fresh operations at Calavo Growers. He brings over 35 years experience in the avocado industry and also served as the president and CEO of Index Fresh and co-founded Fresh Directions International in 1997.

Awe Sum Organics located in Santa Cruz, Calif., has selected **Joe Feldman** as the new director of sales and marketing. He most recently served as senior vice president of sales at River Fresh Farms. Before that, he was vice president of sales and marketing at Ocean Mist Farms.

Ocean Spray Cranberries has selected **James White** as the company's interim CEO. He replaces **Bobby Chacko** who was let go for violating the company's harassment policy. White previously served as chairman, president and CEO of Jamba Juice. He has also held executive leadership roles at Safeway, Nestle-Purina and Coca-Cola.

Ocean Mist Farms brought on **Tom Botelho** as a sales representative. Botelho brings over 30 years of experience in the agricultural industry. He previously served as director of East Coast sales for Tanimura & Antle.

Vertical growing technology company located in Laguna Niguel, Calif., Agt3 Holdings, has appointed former California Secretary of Agriculture **A.G. Kawamura** to its board. Kawamura served as secretary from 2003-2010, and is a founding member of Orange County Produce.

Jim Sarale, co-founder and part-owner of Kings Crown Packing and Queens Crown, died at the age of 78. Sarale founded Kings Crown in 1989 with four other growers. They started the company to pack and ship their asparagus crop located near Stockton, Calif. As the California

asparagus crop diminished, Sarale closed down Kings Crown Packing. In the 1990s, Sarale and others founded Queens Crown to import and distribute asparagus and squash from Mexico.

American Egg Board (AEB) President and CEO **Anne Alonzo** has announced she is stepping down from the position in mid-April. Alonzo wrote in a letter to the board of directors that she was afforded a “unique opportunity to join a newly public agriculture company and lead its Washington, D.C., office.” Alonzo expressed she wants to aid in the transition process to find a successor and will stay on with AEB to help lead the Annual Board Meeting and the White House Easter Egg Roll before her departure. Alonzo declined to comment on her new employer.



Anne Alonzo

Reana Kovalcik is leaving the National Sustainable Agriculture Coalition (NSAC) at the end of the week. Kovalcik served as the associate director for communications and development. Serving as the interim press contact for NSAC is policy director **Eric Deeble**.

FLM Harvest hired **Cristie Mather** to serve as the new vice president of food. Mather previously led food and beverage partnerships at The Fiction Tribe and also served as a communications director with the Pear Bureau Northwest/USA Pears.

Ryan Williams has been promoted to legislative assistant for Sen. **Dianne Feinstein**, D-Calif. Williams covers the portfolio for immigration, emergency disaster response, and transportation. He previously was a field representative.

Molly Carpenter has been elevated to legislative director covering the international affairs portfolio for Sen. **Mike Crapo**, R-Idaho. She previously served as his military legislative assistant.

Amy Kirkham now serves as a science policy adviser for Sen. **Lisa Murkowski**, R-Ark. She previously served as a John A. Knauss Sea Grant Fellow in Murkowski’s office.

Marty Smith is the new president of the National Cattlemen’s Beef Association (NCBA). He replaces **Jennifer Houston**, 2019 NCBA president. Smith operates Smith Brothers-Wacahoota LLC, a cow-calf operation in Central Florida. Also elected to serve this upcoming year was **Jerry Bohn** of Kansas, president-elect; **Don Schiefelbein** of Minnesota, vice president; **Todd Wilkinson** of South Dakota, chair of the NCBA policy division; and Wyoming rancher **Mark Eisele**, policy vice chair.



Marty Smith

The Cattlemen’s Beef Board has announced **Jared Brackett**, **Hugh Sanburg** and **Norman Voyles Jr.** are the new leaders of the Cattlemen’s Beef Promotion & Research Board (CBB). Brackett, the 2019 vice chair, will now serve as the CBB’s Chair, and Sanburg will transition from his role as the 2019 secretary-treasurer to vice chair. Voyles, the newest member of the officer team, will take on Sanburg’s former responsibilities as secretary-treasurer. The three cattle producers were elected during the 2020 Cattle Industry Convention in San Antonio last week.

Michael Crowder of West Richland, Wash., is the new president-elect of the National Association of Conservation Districts. He has a master's degree in wildlife science from Purdue University and spent eight years as an adjunct professor at Washington State University. He'll be sworn in as NACD's president at the group's annual meeting next year.

Field to Market: The Alliance for Sustainable Agriculture has selected new officers for the organization's board of directors. Selected to serve as chair is **Brandon Hunnicutt** of the National Corn Growers Association. **Jeremy Peters** of the National Association of Conservation Districts will serve as vice chair, **Diane Herndon** of Nestlé Purina was chosen to serve as secretary, and **Michelle French** of ADM was elected to treasurer.

Best regards,

Sara Wyant
Editor

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